

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 7412

BILL NUMBER: HB 1707

NOTE PREPARED: Jan 12, 2009

BILL AMENDED:

SUBJECT: Expenditure Reporting For Public Questions.

FIRST AUTHOR: Rep. Saunders

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: The bill requires campaign finance reports relating to the outcome of any public question to be filed with the Election Division (ED). The bill requires the ED to provide for the electronic submission, retrieval, storage, and disclosure of campaign finance reports relating to public questions.

Effective Date: July 1, 2009.

Explanation of State Expenditures: *Summary-* The cost associated with this proposal is indeterminable and would depend on the number of local referenda that would need to be entered into the ED's campaign finance report (CFR) database.

The ED would need to do two things in order to carry out the provisions of this bill:

1) Enter data from all local referenda CFR's and all state referenda CFR's from PAC's with contributions below \$50,000. (Under current law, PAC's that received contributions above \$50,000 must electronically file a CFR for a statewide referendum.) The cost to carry out this provision would be minimal, if the ED could enter the data with existing staff. However, if unable, there would be a cost to the ED to contract for data entry personnel.

2) Revise CFR forms and software to adjust for the additional electronic local referenda filers. The cost to make these changes is unknown.

Background- The ED recently incurred costs of approximately \$25,000 for data entry of CFR's for the 2008

general election. Additionally, the ED required approximately \$15,000 to make a modification to their CFR software and report entry website in 2008.

The Indiana Election Division reverted \$23,000 to the General Fund at the end of FY 2008.

There were five statewide judicial retention questions on the 2008 general election ballot.

Explanation of State Revenues: *Background: Penalties-* Persons failing to file a CFR can face a civil penalty of \$50 per day that the report is late, not to exceed \$1,000 per report.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Election Division.

Local Agencies Affected:

Information Sources: Brad King, Co-Director, Indiana Election Division, 232-3939; Election Division website: <http://www.in.gov/sos/elections/>.

Fiscal Analyst: Chris Baker, 317-232-9851.